

HBL Islamic Money Market Fund (HBL IMMF)

Managed By: HBL Asset Management Limited

Fund Stability Rating

Latest Rating

AA+(f)

29-Dec-25

What is Fund Stability Rating

Fund Stability Rating (FSR) is a measure used to assess the stability and risk associated with a mutual fund or investment portfolio. The stability rating combines a comprehensive quantitative evaluation of the fund's portfolio with a qualitative assessment of fund management. This rating offers investors an impartial gauge of the primary areas of risk that income funds may face, including credit risk, liquidity risk, and interest rate risk.

Fund Information

Launch Date	May 10, 2011
Fund Type	Open End
Category	Shariah Compliant Money Market Fund
Risk Profile	Low
Auditor	A.F.Ferguson & Co., Chartered Accountants
Trustee	Central Depository Company of Pakistan Limited
Front-end Load	Up to 1%
Back-end Load	Nil
Benchmark	90% (3) Months PKISRV rates + 10% (3) months avg highest rates on savings account of 3 AA rated scheduled Islamic banks or Islamic windows of conventional selected by MUFAP
MQR Rating	AM1 (VIS)
Mgt. Fee	0.60% P.A

Fund Overview

HBL Islamic Money Market Fund (the Fund) is an open-ended mutual fund constituted under a Trust Deed entered into on December 10, 2010, between HBL Asset Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee.

Investment Objective

The objective of HBL Islamic Money Market Fund is to seek high liquidity, competitive return and maximum possible preservation of capital for investors by investment in low risk Shariah Compliant securities.

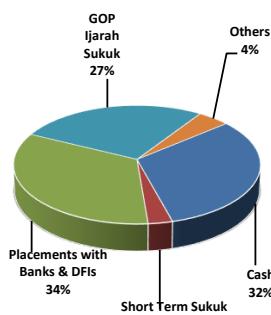
Offering Document (Extract)

Description	Minimum rating	Min- Max Limits
Cash and Cash equivalents: Shariah compliant Government Securities and Placement of riba free deposits with Islamic banks or Islamic financial institutions or with Islamic branches /windows of other banks or financial Institutions, excluding Term Deposits	AA	10%-100%
Shariah compliant money market instruments such as Certificate of Islamic Investments (COII), with Commercial banks and DFIs	AA	0%-100%
Shariah compliant money market instruments such as Certificate of Islamic Investments (COII), Certificate of Musharaka (COM) with NBFCs and Modaraba companies	AAA	0%-100%
Any other Shariah compliant money market structure, instrument or security	AA	0%-50%
Subject to SECP or other regulatory approvals the Scheme may seek to invest in Shariah Compliant securities listed or otherwise and traded outside Pakistan	As specified by Commission	30% (subject to a cap of USD 15 mn)
Any Shariah compliant investment/structure approved by the Shariah Advisor, which may be authorized by the Commission but does not include restricted investments	As specified by Commission	0%-30%
Shariah Compliant Commercial Paper/ Sukuk	AA / A1	0%-20%

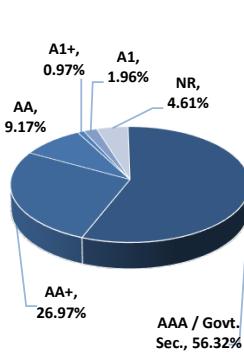
Net Assets

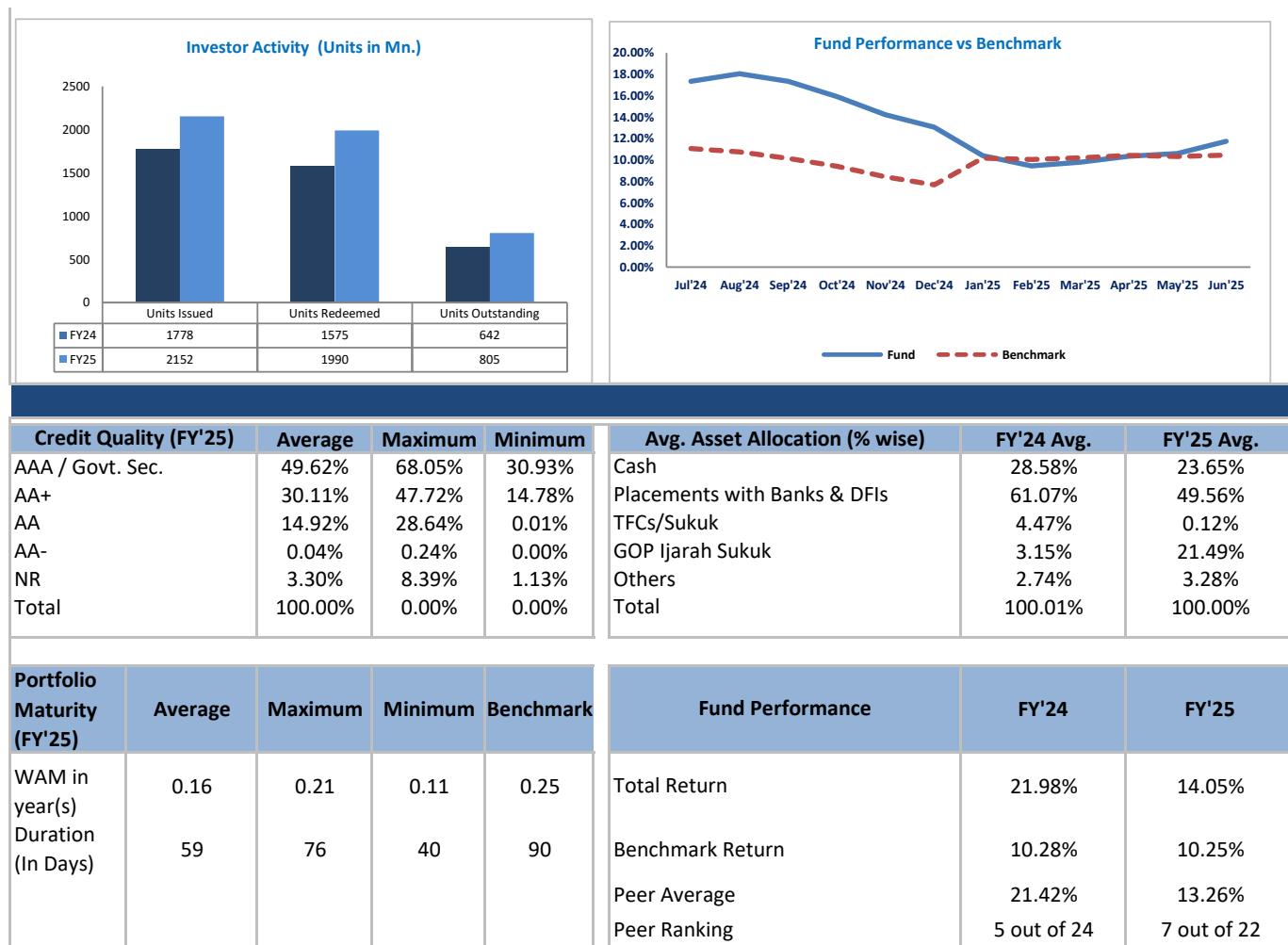
	Jun'23	Jun'24	Jun'25
Net Assets (In PKR' Millions)	44,532	65,102	81,764

Asset Allocation - Jun'25



Credit Quality - Jun'25





Fund Stability Analysis

The HBL Islamic Money Market Fund has been assigned a rating of AA+(f). This rating indicates a high degree of stability in the Net Asset Value (NAV) of the fund. The risk associated with the fund is considered modest, although it may vary slightly due to changing economic conditions.

Asset Allocation:

During FY25, Assets Under Management (AUM) of the Fund recorded a notable growth of ~26% Y/Y, coming in at Rs. 81.8b as at Jun'25 (Jun'24: Rs. 65.1b). Throughout the period, the Fund's investments adhered to the mandate set out in the offering document. On average, ~50% of the portfolio was allocated to Placements with Banks & DFIs, followed by ~24% in cash and ~21% in GOP Ijarah Sukuk, while the remainder was in TFCs/Sukuks.

Credit Quality:

The Fund's credit exposures were primarily maintained in instruments rated AA and above, in line with the offering document. On average, Government Securities/AAA-rated instruments constituted 50% of the portfolio, while exposures to AA+ and AA instruments accounted for approximately 30% and 15%, respectively. Going forward, adherence to the defined credit quality parameters will remain important.

Market and Liquidity risk:

During FY25, the weighted average maturity (WAM) remained well within the 90-day limit stipulated in the offering document, with an average WAM of 59 days.

The Fund's liquidity profile is considered sound, with liquid assets representing approximately 95% of total assets. The investor base is largely composed of corporate investors, accounting for ~64% of AUM, followed by retail investors at ~36%.

Fund Performance:

During FY25, the Fund delivered an annualized return of 14.05%, outperforming both the peer average and the benchmark, and placing it in the second quartile.

Financial Snapshot

	FY24	FY25
BALANCE SHEET		
Paid Up Capital	N/A	N/A
Total Equity	N/A	N/A
INCOME STATEMENT	FY24	FY25
Total Income	12,648.4	10,686.8
Profit Before Tax	11,982.4	9,879.2
Profit After Tax	11,982.4	9,879.2
RATIO ANALYSIS	FY24	FY25
Current Ratio (x)	N/A	N/A
Gearing (x)	N/A	N/A
FFO	N/A	N/A

Regulatory Disclosures			
Name of Rated Fund	HBL Islamic Money Market Fund	Sector	Mutual Funds
Type of Relationship	Solicited	Purpose of Rating	Fund Stability Rating (FSR)
Rating History			
Rating Type	Rating Date	Medium to Long Term	Rating Action
Fund Stability	29-Dec-25	AA+(f)	Reaffirmed
Fund Stability	3-Mar-25	AA+(f)	Reaffirmed
Fund Stability	2-Jan-24	AA+(f)	Reaffirmed
Fund Stability	29-Dec-22	AA+(f)	Reaffirmed
Fund Stability	22-Jan-22	AA+(f)	Reaffirmed
Fund Stability	31-Dec-20	AA+(f)	Upgrade
Statement by the Rating Team	VIS, the analysts involved in the rating process and members of its rating committee do not have any conflict of interest relating to the credit rating(s) mentioned herein. This rating is an opinion on credit quality only and is not a recommendation to buy or sell any securities.		
Probability of Default	VIS' ratings opinions express ordinal ranking of risk, from strongest to weakest, within a universe of credit risk. Ratings are not intended as guarantees of credit quality or as exact measures of the probability that a particular issuer or particular debt issue will default.		
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Rating Scale	https://docs.vis.com.pk/docs/VISRatingScales.pdf		

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